Published and Copyright (c) 1999 - 2013 All Rights Reserved

Atari Online News, Etc. A-ONE Online Magazine Dana P. Jacobson, Publisher/Managing Editor Joseph Mirando, Managing Editor Rob Mahlert, Associate Editor

Atari Online News, Etc. Staff

Dana P. Jacobson -- Editor Joe Mirando -- "People Are Talking" Michael Burkley -- "Unabashed Atariophile" Albert Dayes -- "CC: Classic Chips" Rob Mahlert -- Web site Thomas J. Andrews -- "Keeper of the Flame"

With Contributions by:

Fred Horvat

To subscribe to A-ONE, change e-mail addresses, or unsubscribe, log on to our website at: www.atarinews.org and click on "Subscriptions".

OR subscribe to A-ONE by sending a message to: dpj@atarinews.org and your address will be added to the distribution list. To unsubscribe from A-ONE, send the following: Unsubscribe A-ONE

Please make sure that you include the same address that you used to subscribe from.

To download A-ONE, set your browser bookmarks to one of the following sites:

> http://people.delphiforums.com/dpj/a-one.htm Now available: http://www.atarinews.org

Visit the Atari Advantage Forum on Delphi! http://forums.delphiforums.com/atari/

=~=~=~=

A-ONE #1527 07/12/13

~ Taunting Tweeter Nabbed ~ People Are Talking! ~ Russian Tweet, Panic!

~ Hiring Cybermercenaries ~ UK Man Jailed on Threat! ~ Amazon Tax Criticism!

- ~ DefCon: Gov't Stay Away ~ New Consoles: Downgrade? ~ Social Media Vacation!
- ~ Xbox One Pre-orders Out ~ Apple 1 Sells at Auction ~ "Sharknado" Tweets!

-* Cybersecurity Bill Drafted! *--* Microsogr Wants To Disclose FISA Data *--* NATO Cyber Defense Fights Tide of Hacking! *-

=~=~=~=

->From the Editor's Keyboard

"Saying it like it is!"

We're definitely entrenced in typical New England summer weather lately. If we're not getting hit with pop-up thunderstorms, we're being beaten down with heat waves and melting humidity! And, they're predicting another 5-day heat wave all next week! The air-conditioning is getting quite a workout!

So, while we sit back and melt or get soaked in rain, I hope you're all staying cool and enjoying another issue!

Until next time...

=~=~=~=

->In This Week's Gaming Section - Xbox One, PS 4: Downgrades?

Xbox One Pre-orders Sold Out! Ryan Davis Dies! And much more!

=~=~=~=

->A-ONE's Game Console Industry News - The Latest Gaming News!

Are The Next-gen Xbox One and PlayStation 4 Downgrades ?

Millions upon millions of gamers around the world are crawling out of their skin waiting for Microsoft and Sony s next-generation video game consoles to launch, but according to some plugged-in tech industry

executives, the Xbox One and PlayStation 4 are actually a downgrade. Forbes recently spoke with executives from fabless chip makers AMD and Nvidia about the upcoming consoles set to launch ahead of the holidays this year, and both companies seem to share a common position: The Xbox One and PlayStation 4 are great machines, but they re nothing compared to PC gaming.

AMD is responsible for the custom Jaguar chipsets that will power both the Xbox One and the PlayStation 4, and the company makes the Wii U s graphics processor as well. AMD s deal with Microsoft alone is worth more than \$3 billion, but that didn t stop an AMD representative from pointing out how much better PCs are for gaming, however.

A lot more people have been taking a look at the PC and saying Oh wait, I can get better graphics over here. Oh wait, my experience over here can be different like with AMD s [multi-monitor technology] Eyefinity, an unnamed AMD spokesperson told Forbes. Gaming with a mouse and a keyboard is very different from gaming with a control on a sofa.

The spokesperson also noted that high-end PC rigs don t just offer better gaming experiences than consoles, they also can do everything a computer can do, thus making them far more versatile than video game consoles.

And then there s Clay Causin, a senior software engineer at NVIDIA, who was even more candid. Personal opinion: Consoles, they have a place. If you need something basic, you don t care how your game looks, alright, I guess it works for you. PC gaming is bigger and better. Consoles are a downgrade, Causin said.

Microsoft s Xbox One and Sony s PlayStation 4 are each currently available for preorder and they will launch later this year ahead of the holidays.

Xbox One Pre-Orders Sold Out at Best Buy

Best Buy has exhausted its stock of Xbox One pre-orders and is no longer accepting online purchases. Best Buy s product page for Xbox One notes that the console is Sold Out Online and currently does not allow customers to complete a purchase for the system.

For now, Xbox One is still available for pre-order on Amazon as well as Wal-Mart, Target and GameStop.

This follows news yesterday that GameStop sold out of PlayStation 4 pre-orders, though other retailers (including Best Buy) are currently still allowing PS4 orders to be placed. We ve reached out to Microsoft and Best Buy to find out if stock will be replenished and will update this story with any comment we receive.

China Likely to Unban Foreign Consoles

China is considering overturning a 13-year ban on the sale of games consoles, as long as one key condition is met.

The South China Morning Post (via Spong) reports that the country may

lift the ban, but only if foreign companies like Sony, Nintendo and Microsoft manufacture their products in Shanghai's new free trade zone.

The move is apparently being considered as part of a plan to open up the Chinese economy and widen the use of its currency. Government documents explain that if foreign companies register in the new zone, they will be able to sell their products once approval has been received from "culture-related authorities".

They still need approval from the culture ministry and other relevant government bodies for their products.

An unnamed source told SCMP, "They still need approval from the culture ministry and other relevant government bodies for their products, which I think is reasonable, because the government wants to make sure the content of your games is not too violent or politically sensitive for young people."

The ban initially came into effect in June 2000 after seven ministries, led by China's Ministry of Culture, opted to ban the production and sale of games consoles in China after concerns were raised about unhealthy and violent content in games, and what effect it may have on the country's youth. All that was allowed was the import of components to be assembled in China, before being exported again.

If it comes to pass, it'd be absolutely huge news for Sony, Microsoft and Nintendo and would open up a new market of hundreds of millions to them, with a new generation of consoles on the horizon. China stands to benefit too, with the "Made in China" caveat providing an opportunity for a manufacturing boom.

Nothing's been confirmed as yet, so there's always a chance it may not come to pass.

Violent Video Games Don t Make Us Less Caring

Do violent video games make people more callous and less likely to help others? The latest study suggests not but it likely won t be the last word.

The blood, gore and antisocial behavior seen in games like Grand Theft Auto understandably make parents nervous. And when faced with horrors like the massacre of elementary school children in Newtown, Connecticut or the Batman shootings in Aurora, Colorado, it can be hard not to consider a possible connection between kids spending 18 hour days shooting down victim after victim onscreen and real life violence.

But the research investigating the role that virtual violence has on actual behavior hasn t been so helpful, and with the data so difficult to interpret, expert opinion is also highly polarized. Game advocates note that as gaming has increased, violent crime rates in the U.S. have dropped. One 2011 study that tracked retail game sales and reported crime even found that an 1% increase in sales of violent games was linked with a .03% drop in violent crime.

Dozens of other studies, however, have shown more aggression and less caring behavior following game play. Brad Bushman, professor of

communication and psychology at Ohio State who led a 2010 review of the research involving nearly 70,000 participants said, I think the field is not really divided. It is like global warming. 95% of scientists believe [videogames can cause violence and reduce empathy], and a vocal minority do not.

Bushman was not associated with the new study, published in PLOS One, which failed to replicate prior research showing that violent games decrease people s willingness to help others, while games that involve kindness increase that tendency. This research lends support to the idea that public concern over violent video games might be mismatched, says lead author Morgan Tear, a PhD student at the University of Queensland in Australia.

Tear s team asked a group of 64 college students to play one of four different video games for 20 minutes; two of the games, Grand Theft Auto and Call of Duty: Black Ops, were violent and two, World of Zoo and Portal 2, were not. After playing, participants filled out questionnaires about their experience with the game, but what the scientists really wanted to know was whether the games influenced the participants tendency to help others. It turned out that they did not. When the researchers pretended to spill their pens in their rush to leave the room, both groups of gamers were equally likely to help them pick up their pens.

This suggests that the effect of violent video games on behavior might be small and that public concern ought to be minimal, says Tear. So which factors hold more sway? Not surprisingly, things such as whether someone is a friend, a stranger or potential academic advisor is likely to play a bigger role in whether you go out of your way to help than the nature of a game you might have just played. Not taking such contextual factors into account could produce misleading results in investigating the influence of violence in video games. In the study, if the researcher dropped the pens at a point in the experiment when the participants thought the scientist might return, 75% helped him pick up but if they thought the study was over and they would never see him again, just 31% gave aid.

The biggest effect was more related to when the pen drop occurred than what games were played, says Dr. Richard Hall, professor of psychiatry at the University of Central Florida College of Medicine, who was not connected with the research, What that suggests is that in the environment in which these studies are done, there are multiple factors [at play] and little things such as whether the examiner was smiling or not could have a dramatic impact on what is reported.

Because it s impossible to minimize such factors entirely in a study setting, it may be too challenging to answer the question of whether violent video games can result in more aggressive behavior or a reduced ability to empathize with others. I think we really don t know enough, says Hall, What I worry about is that this topic has become very political.

And that means that the research may also fall victim to some polarizing, non-scientific influences. The literature is so contested because some of the prominent researchers vehemently disagree with each other, says Tear, At the far end are those who contend that the effect of violent video games on society is profound and damaging, while at the other are those who maintain any effects are benign. As better data and better designed experiments are published, I think the picture will become clearer.

A lot of the problem with the data is that people get results and then overstate them or misapply them, Hall says, For example, I don t think there s anyone out there who would disagree that too much videogame playing is bad for an individual. The risks, however, lie in the specifics. What we re trying to do with these studies is apply them to the whole population and that may not be a good way to look at it. A lot of people ask: are video games good or bad? As a clinician, the question I ask is, It is good or bad for this child?

If a teen plays excessively but is active in extracurricular pursuits, socializes with friends, earns good grades and behaves reasonably at home, there s little cause for concern, for example. But if gaming starts to substitute for friendships and family time, it might not be as healthy, and parents should look into why the video games are so important for their child. Research shows that addictive gaming is strongly linked with some type of distress, whether it originates from family problems, psychiatric conditions or social issues or, most often, a mixture of all of the above. And those problems could make some people vulnerable to the negative effects of the virtual violence in video games.

The real question [is] whether video games have a uniquely negative effect on those individuals compared to the many other activities and scenarios that they would routinely encounter in their daily lives, Tear says. I suspect that video games would be one of many possible things that could affect those particularly vulnerable people but we would need good evidence to conclude that video games are any more harmful than other activities, such as playing basketball or chess.

Video Game Personality Ryan Davis Dead at 34

Video game journalist and podcaster Ryan Davis, known for his devout fan following in the tight-knit community, died last week at the age of 34, Giant Bomb, the news gaming site he cofounded, said on Monday.

Davis had a visible online presence in the video game community through the popular podcast "the Giant Bombcast" he hosted every week to discuss industry news and review games.

A former editor at the video game news site GameSpot, Davis co-founded Giant Bomb in 2008. Three years later, Time magazine named it one of the top 50 websites of the year, describing it as a sort of Wikipedia for gaming news, reviews and commentary - "a mashup of a traditional game-info destination."

The cause of Davis' death, which occurred less than a week after his wedding, was not given by Giant Bomb.

"In the face of this awfulness, many of us will at least always remember him as we last saw him: outrageously, uproariously happy, looking forward to his next adventure with the biggest grin his face could hold," Matthew Rorie, product manager at Giant Bomb, said in a message posted on the site.

Minutes after the post was published on Monday, video game industry analysts, game enthusiasts, journalists and games publishers like Ubisoft and Amazon Video Games took to Twitter to express their sense of loss.

"A sad day in the industry, RIP Ryan Davis," was posted on the official twitter feed of Amazon Video Games.

"Every time I saw Ryan Davis, I left smiling," tweeted Wedbush Securities analyst Michael Pachter.

=~=~=~=

A-ONE's Headline News
The Latest in Computer Technology News
Compiled by: Dana P. Jacobson

NATO Cyber Defense Center Fights Tide of Hacking Attempts

Crouched behind banks of computer screens flashing data, NATO analysts try to stay ahead of millions of suspected attempts to hack the Western alliance's computer networks, as cyber defense moves to the center of NATO operations.

NATO's cyber defense nerve center, operating from the alliance's operational headquarters at Mons in southern Belgium, monitors potential attacks on NATO computer systems installed at 55 locations around the world.

"Our intrusion detection systems handle something like 147 million suspicious events every day," director Ian West told reporters during a visit to NATO's computer incident response capability technical center on Wednesday.

Attacks on NATO's systems range from hacking, attempts to implant malicious software and so-called denial of service attacks where a computer is bombarded with so much data that it collapses.

NATO analysts dealt with around 2,500 confirmed serious attacks on its computers last year, West said.

In an era where weapon systems and military operations increasingly depend on computers, there is a risk that hacking attacks could have fatal consequences for the alliance.

"The worst case scenario of a cyber attack for us could be loss of life ... If intelligence doesn't get through about an ambush, if notification doesn't get through about a security situation, then our troops' lives are at risk," West said.

Some attacks against NATO's computer networks have been successful, he said, although he declined to say whether hackers had succeeded in stealing confidential data.

The threats come from hacking activists, criminals and "hostile nation states", although West declined to say which countries are suspected.

In May, the Pentagon said China was using espionage to acquire technology

to fuel its military modernization, for the first time accusing the Chinese of trying to break into U.S. defense computer networks. Beijing denied the allegation.

China hit back after fugitive spy agency contractor Edward Snowden leaked details of U.S. cyber spying, accusing Washington of hypocrisy.

Analysts among the cyber defense centre's 130-strong staff from 15 nations say the attacks on NATO defense systems are growing in number and sophistication.

"The majority of the attacks are conducted by 'spear phishing' emails," said Andrzej Dereszowski, a Polish engineer at the center, referring to attempts by hackers to get hold of passwords or other confidential information by posing as a legitimate organization.

"They try to entice the user to follow the links (in emails) by pretending to be from a legitimate source or even using another compromised organization to actually send emails from a real person from that organization," he said.

In the case of a serious hacking attempt, the centre's analysts will analyze malicious code used and try to find who is behind the attempt, West said.

If it needs help from police, NATO may tip off the country concerned, but it will not go after the hacker itself, he says. NATO's remit in the cyber area is purely defensive, not offensive.

NATO was alerted to the threat of cyber attacks in 2007, when Estonia's Internet network was paralyzed by an electronic attack that Estonia blamed on Russia.

Since then, NATO has given a much higher priority to cyber defense. NATO ministers agreed at a Brussels meeting last month to strengthen the organization's cyber defenses.

The alliance is beefing up the capabilities of the Mons cyber defense center, including creating rapid reaction teams to help protect NATO's own computer systems and an around-the-clock response to incidents.

Commerce Committee Drafts First U.S. Senate Cybersecurity Bill

The U.S. Senate Commerce Committee is circulating a bill that marks the upper chamber's first stab at cybersecurity legislation and seeks to formalize part of an executive order that sets up voluntary standards for critical industries.

The staffs of Senator John Rockefeller, the West Virginia Democrat who chairs the committee, and his Republican counterpart Senator John Thune of South Dakota late on Wednesday released what is expected to be the first of several Senate bills aimed at improving U.S. defenses against cyber attacks, a committee source said.

Rockefeller expects the committee to debate the bill by the end of July, the source said. It will be part of a lengthy, complex process of reconciling interests in Congress, the private sector and the government

as the country faces a growing threat of hacking attacks and cyber espionage.

The new bill follows the path laid out by President Barack Obama's executive order in February. That order directed the National Institute of Standards and Technology, a non-regulatory agency within the Commerce Department, to develop the framework for collaboration between the government and the private sector over improving cyber protections.

The Senate's new bill would formally add cybersecurity to NIST's statutory authority to ensure it continues to work with the industry on voluntary standards and best practices after Obama's order expires. The draft also seeks to better educate Americans in cybersecurity, improve research in the field and start a public awareness campaign.

The House of Representatives in April for the second time passed a bill designed to help companies and the government share information on cyber threats. It did not address industry standards and the Obama administration has threatened to veto it over privacy concerns.

Senator Dianne Feinstein, California Democrat and Intelligence Committee chairman, is working on information-sharing legislation in the Senate. The House's previous cybersecurity legislation stalled in the Senate last year.

Microsoft Wants to Disclose FISA Data, Too

Following Google's lead, Microsoft asks the court if it can come clean on FISA requests for user data.

In the wake of the PRISM scandal, Microsoft is taking a page from Google's playbook and requesting permission from the U.S. government to release more details about government requests for customer data under the Foreign Intelligence Surveillance Act (FISA).

On June 14, John Frank, vice president and Deputy General Counsel for Microsoft, announced that during the last half of 2012, it had received "6,000 and 7,000 criminal and national security warrants, subpoenas and orders" from law enforcement agencies requesting information on up to 32,000 accounts. Apart from those hazy numbers, the company was forbidden to reveal much more.

"We are permitted to publish data on national security orders received (including, if any, FISA Orders and FISA Directives), but only if aggregated with law enforcement requests from all other U.S. local, state and federal law enforcement agencies; only for the six-month period of July 1, 2012 thru December 31, 2012; only if the totals are presented in bands of 1,000; and all Microsoft consumer services had to be reported together," informed Frank in a Microsoft on the Issues blog post.

Now the software behemoth is seeking to provide a little more specificity in a motion filed on June 19 with the U.S. Foreign Intelligence Surveillance Court. "To promote additional transparency concerning the Government's lawful access to Microsoft's customer data, Microsoft seeks to report aggregate information about FISA orders and FAA [FISA Amendments Act] directives separately from all other local, state, and federal law enforcement demands," said the company in its filing.

The company also said that it had been denied permission by the FBI and U.S. Department of Justice to disclose aggregate figures on FISA and FAA orders and the total number of accounts affected. And like Google, Microsoft argued that it has a First Amendment right to provide that information.

Microsoft maintains that "there is no statutory basis under FISA or the FAA for precluding Microsoft from disclosing the Aggregate Data. Further, to the extent FISA or the FAA could be construed to bar such disclosure, such a construction would constitute a content-based restriction on speech that fails to satisfy strict scrutiny, in violation of the First Amendment."

Microsoft, along with other tech giants including Google, Facebook and Apple, has been on the defensive since details of the NSA's PRISM surveillance program first emerged. Among the claims that have made the rounds in the press denied by both the U.S. government and major Web services providers is that intelligence agencies have direct and unrestricted access to servers that store private customer data.

The government's reluctance to allow these companies to paint a more accurate picture of FISA data requests casts a shadow that makes it tough defend against such accusations, argues Google.

"Assertions in the press that our compliance with these requests gives the U.S. government unfettered access to our users' data are simply untrue. However, government nondisclosure obligations regarding the number of FISA national security requests that Google receives, as well as the number of accounts covered by those requests, fuel that speculation," said Google Chief Legal Officer David Drummond in an Official Google Blog post dated June 11.

Hackers Convention Ask Government To Stay Away Over Snowden

The annual Def Con hacking convention has asked the U.S. federal government to stay away this year for the first time in its 21-year history, saying Edward Snowden's revelations have made some in the community uncomfortable about its presence.

"It would be best for everyone involved if the Feds call a 'time-out' and not attend Def Con this year," conference founder Jeff Moss said in an announcement posted Wednesday night on the convention's website.

An irreverent crowd of more than 15,000 hackers, researchers, corporate security experts, privacy advocates, artists and others are expected to attend the Las Vegas convention, which begins on August 2.

Moss, who is an advisor on cyber security to the Department of Homeland Security, told Reuters it was "a tough call," but he believed the Def Con community needs time to make sense of recent revelations about U.S. surveillance programs.

"The community is digesting things that the Feds have had a decade to understand and come to terms with," said Moss, who is known as The Dark Tangent in hacking circles. "A little bit of time and distance can be a healthy thing, especially when emotions are running high."

He said the move was designed to defuse tension.

"We are not going on a witch hunt or checking IDs and kicking people out," he said.

The conference has attracted officials from agencies, including the Central Intelligence Agency, National Security Agency, Federal Bureau of Investigations, Secret Service and all branches of the military.

Last year, four-star General Keith Alexander, head of the NSA, was a keynote speaker at the event, which is the world's largest annual hacking conference.

The audience was respectful, gave modest applause and also asked about secret government snooping. Alexander adamantly denied the NSA has dossiers on millions of Americans, as some former employees had suggested before the Snowden case.

"The people who would say we are doing that should know better," Alexander said. "That is absolute nonsense."

Alexander is scheduled to speak in Las Vegas on July 31 at Black Hat, a smaller, two-day hacking conference that Moss also founded, but sold almost eight years ago. It costs about \$2,000 to attend Black Hat, which attracts a more corporate crowd than the \$180 Def Con.

Black Hat General Manager Trey Ford said that the NSA has confirmed that Alexander will speak at his conference, which is owned by UBM Plc, a global media company. Security will be heightened and Alexander will take questions from the audience, Ford said.

An NSA spokeswoman confirmed Alexander would attend, but did not elaborate or comment on Def Con's request that the Federal government not attend.

The government had previously always been welcome at Def Con, where hard core hackers have held tongue-in-cheek "spot the Fed" contests to identify government officials who often stick out in the colorful crowd.

Moss says he invited them the first year because he believed they would come anyway. They politely declined, then showed up incognito, he said. They have attended every year since and Moss said he has developed many friends among them.

"We created an environment where the Feds felt they could come and it wasn't hostile," Moss said in an interview a year ago. "We could ask them questions and they wanted to ask the hackers about new techniques."

Some federal officials have even worked among the motley crew of Def Con volunteers who run the conference and walk around wearing T-Shirts that identify them as "goons."

It has also become a fertile venue for recruiting. The U.S. military, intelligence agencies and law enforcement typically compete with corporations to find new talent at Def Con.

The Department of Homeland Security and FBI declined comment. Pentagon officials could not be reached

UK Man Jailed Over U.S. School Threat on Facebook

A British man was sentenced Tuesday to more than two years in jail for threatening to kill 200 people in a Facebook posting that caused thousands of Tennessee children to stay home from school.

Reece Elliott from South Shields in northeast England pleaded guilty in April to making malicious comments.

The online posting threatening gun violence was made anonymously in February on a memorial page set up for a Tennessee student who had died.

Judge James Goss sentenced 24-year-old Elliott to two years and four months in prison, telling him the "grossly offensive" comments were driven by "no more than self-indulgent nastiness."

Elliott, who wept upon sentencing, had written of killing his father first then "going in fast."

"I'm gonna kill hopefully at least 200 before I kill myself," he posted on the memorial page. "So you want to tell the deputy, I'm on my way."

The threat led to 2,900 children missing class in Warren County amid heightened tensions following the school shooting in Newtown, Connecticut, which killed 26 people.

Defense lawyer John Wilkinson told the judge at Newcastle Crown Court that Elliott could not explain his behavior, which the defendant called "idiotic, childish and pathetic."

Detectives said they were about to arrest Elliott before he turned himself in at a police station.

Mysterious Russian Tweet Creates Snowden-to-Venezula Panic

A member of the Russia Duma tweeted out what appeared to be a big scoop about fugitive leaker Edward Snowden, and set off a flurry of news alerts that turned out to be naught. The tweet came from Aleksey Pushkov, a member of the Russian Duma and chairman of its Committee on Foreign Affairs (who is also considered a pro-Kremlin insider.) He "announced" that Snowden had accepted an offer from asylum from Venezuelan President Nicolas Maduro, potentially launching a new round of international incidents in this long-running saga.

"Predictably, Snowden has agreed to Maduro s offer of political asylum. Apparently, this option appeared most reliable to Snowden"

Shortly, thereafter, Pushkov deleted that tweet, leaving the whole internet in an anxious limbo, waiting for an explanation. Finally, he responded with this clarification.

"Info that #Snowden accepted Maduro's asylum offer came from "Vesti-24" newscast. Address your questions to them."

In other words, this Kremlin insider was just repeating something he saw

on the news. Perhaps we could forgive him, since Pushkov is also a TV host himself, but it sounds like he maybe didn't even do that part right.

So we're right back where we started, only with the likes of the Associated Press to AFP carefully walking back their hastily assembled stories. None of which addresses wether Snowden can actually "accept" something that he had to beg for in the first place. (It's not like he has a ton of option to pick from at the moment.) And even if he does take up Maduro on his offer, he's still stuck in Moscow's airport with no obvious way to leave the country or get to the other side of the world without getting caught. His last flight to Cuba had a dozen international reporters on board and he didn't even get on it.

So even the Russian MP had the scoop (which he didn't) it wouldn't have really changed anything, other than putting everyone on high alert for the Great Escape we've been waiting for, for weeks, and could still come at any moment. Everyone back to your stations.

UK Spies: Nations Are Hiring Cybermercenaries

A British intelligence report said Wednesday that other nations are hiring hackers to launch attacks against their enemies, a trend it described as particularly worrying.

The warning over cybermercenaries came in an annual report published by Britain's Intelligence and Security Committee, a watchdog body of senior lawmakers that oversees Britain's spy agencies.

Citing testimony from British eavesdropping agency GCHQ, the report described the mercenaries as "skilled cyber professionals undertaking attacks on diverse targets such as financial institutions and energy companies.

"These groups pose a threat in their own right, but it is the combination of their capability and the objectives of their state backers which makes them of particular concern," it said.

The lawmakers didn't name any specific countries or say how widespread the practice was. The report didn't go into much further detail, but there's long been concern over the proliferation of private companies that profit from developing and distributing offensive software.

The report quoted GCHQ as saying that the electronic threat facing Britain is "at its highest level ever and is expected to rise further still" a warning that tracks with longstanding trends relating to the growth of cybercrime and increasing official interest in online espionage. As with past reports, lawmakers singled out Russia and China as two countries alleged to have carried out attacks over the Internet.

The report also covered issues surrounding the proliferation of weapons of mass destruction, counterintelligence, and terrorism. It touched on the threat of Islamic radicalism out of Syria, where it said a significant number of British citizens had flocked in order to fight a holy war. It quoted Britain's security services as saying that "individual jihadists in Syria currently represent the most worrying emerging terrorist threat to the UK and the West" and said that there was a risk that the country's stockpile of chemical weapons could fall into the hands of extremists.

Not covered in the partially-redacted report were allegations published by the Guardian newspaper that GCHQ and its U.S. counterpart, the National Security Agency, were engaged in a global surveillance campaign aimed at securing access to as much of the world's communications as technically possible. Some of the revelations raised fears that Britain was swapping data with the United States on its own citizens to get around restrictions on domestic espionage.

A statement accompanying the report said lawmakers were investigating and would publish their findings on the program "as soon and as fully as we are able."

A spokesman for the committee said lawmakers were not immediately available for additional comment.

Amazon Criticized Over Low German Tax Bill

Amazon.com Inc's main German unit paid income tax of just 3 million euros in 2012 after the group channeled sales to German clients of \$8.7 billion via Luxembourg units, prompting one lawmaker to call for an investigation of the company.

Accounts for Amazon.de GmbH filed with Germany's companies register show that the company reported profit of just 10 million euros for 2012, which was taxed at the headline German rate of 30 percent.

Germany is Amazon's largest non-U.S. market and represents a third of its overseas sales, but the vast bulk of that German cash ends up ultimately in Luxembourg-registered Amazon Europe Holding Technologies, which reported profits of 118 million euros but, as a tax-exempt partnership, paid no income tax.

Amazon declined requests to comment but has previously said it follows the tax rules in all the countries where it operates.

All companies seek to reduce their tax bills and have a duty to steward their assets effectively, tax lawyers say.

"Managers have a fiduciary duty to get the best return for their shareholders, and tax is a part of that," said Laurence Field, tax partner at Crowe Clark Whitehill LLP.

Even so, the lengths to which some go to avoid tax has put the issue at the top of the political agenda in the past year.

Citizens bearing the brunt of the financial crisis through high unemployment, falling real wages and government spending cuts have been angered at revelations that some companies have created elaborate networks of subsidiaries whose chief purpose is to siphon profits out of countries where their economic activity occurs and into tax havens where they have little or no physical presence.

At a meeting of the G20 group of leading economies in November last year German finance minister Wolfgang Schaeuble teamed up with his British counterpart, George Osborne, to push for changes in international rules that allow companies to shift profits.

Amazon is not alone in facing criticism for its tax arrangements. Others including web search leader Google and iPhone maker Apple have come under fire for similar methods to move profits to jurisdictions where they will pay less tax. Both say they follow tax rules wherever they operate.

Sven Giegold, member of the European Parliament with Germany's Green Party, said the low profits declared and taxes paid by Amazon in Germany showed the need for a tougher approach on the part of the German authorities.

"I am outraged," he said. "We have to use much stronger means to ensure the profit cannot be moved out of the country," he added.

Giegold said he planned to write to Schaeuble to ask him to investigate the matter to see if any rules had been broken.

"It's not enough to make a speech at the G20 and then be inactive on extreme cases (of avoidance)," he said.

Amazon minimizes its tax bills across Europe by having customers transact with a Luxembourg company Amazon EU SARL when they click the purchase button on European websites.

French, German and other European units are designated as providers of non-business-critical services to Amazon EU SARL.

This means that Amazon.de GmbH does not receive revenue from sales to users of the Amazon.de website but instead receives enough money from Amazon EU SARL to cover its costs and generate a small profit.

Amazon says it operates a single European business with all strategic functions conducted from its Luxembourg headquarters. This employs around 300 people, while the units in its main European markets employ tens of thousands.

A Reuters examination of job advertisements and employee profiles on website LinkedIn earlier this year showed staff in the UK, German and French units managed all aspects of the supply chain from identifying new products to sell, negotiating with suppliers, deciding pricing policies and website design.

While Amazon EU SARL receives all the cash from European sales - 12 billion euros in 2012 - it made a profit of under 30 million and paid tax of just 8 million euros.

This is because it pays large sums to its parent, Amazon Europe Holding Technologies, to use Amazon group technology, company filings and evidence presented in the U.S. tax court shows.

The difference between what Amazon Europe Holding Technologies charges for these rights and the amount it pays to the U.S. affiliates that develop the technology is significant and has allowed the tax-exempt partnership to build up a cash pile of \$2 billion over the past decade.

Amazon has also been criticized in other countries for its low tax bills.

"Catch me if you can."

San Diego County District Attorney Bonnie Dumanis said Wanda Podgurski sent that taunting tweet after skipping trial in January while facing charges of insurance of fraud.

But then authorities did catch her.

Podgurski, 60, was captured on the Fourth of July in Rosarito Beach, Mexico, a popular retirement spot for American expatriates only 15 miles south of San Diego. She pleaded not guilty Monday to failure to appear while free on bail.

Podgurski was sentenced in absentia last month to more than 20 years in prison and ordered to pay more than \$1 million in fines and restitution.

Three weeks after her initial tweet on June 5, Podgurski's feed read, "'Help find me before I con anyone else." Two other posts were links to stories about her vanishing act.

Podgurski's Twitter profile reads, "On the run possibly in Iran."

Her account follows 32 people and agencies, many of them FBI branches and other law enforcement authorities. Dumanis' office said the district attorney was the only one Podgurski followed while on the run.

The district attorney's office declined to say how authorities tracked down Podgurski, saying only that information from the Twitter account was turned over to its Computer and Technology Crime High-Tech Response Team, known by the acronym Catch.

Podgurski's attorney, Philip Kent Cohen, declined to comment.

The district attorney's office said Podgurski received \$664,555 in disability payments when she was charged. While earning \$44,000 a year as a clerk for Amtrak, she allegedly held six insurance policies with premiums that topped \$60,000.

She made claims with all six insurance companies after reporting that she fell at her home in August 2006, prosecutors said. Private investigators working for the insurers reported seeing her walk stairs without assistance and drive to the store.

First Apple Computer Sells at Auction

An original Apple computer from 1976 has sold at auction for nearly \$388,000.

Known as the Apple 1, it was one of the first Apple computers ever built.

It sold Monday for \$387,750 at a Christie's online-only auction. Bolaffi, an Italian collections company, says in a statement that it bought the computer. The seller was a retired school psychologist from Sacramento, Calif.

Vintage Apple products have become a hot item since Steve Jobs' death in October 2011. Jobs joined forces with Steve Wozniak to build computer prototypes in a California garage, and Wozniak built the Apple 1.

Another Apple 1 was sold in May for a record \$671,400 by a German auction house. It broke a record of \$640,000 set in November.

Why Americans Need Social Media 'Vacation'

Internet users are suffering from social media overload from sites like Facebook and Twitter. Now, the majority of online users are looking for a social media vacation, new research shows.

A study by the online organization hub MyLife.com reveals that online users are becoming overwhelmed by the increasing number of social networks and email accounts they manage, and more than 50 percent of the online users surveyed have either taken or have considered taking a "vacation" from social networking in the past year.

Irrelevant updates and a lack of time are the top reasons for wanting a break from Facebook, Twitter, Pinterest or any other social network.

Overall, more than 40 percent of adult Internet users manage multiple social networking profiles, and more than half belong to more social networks or visit their networks more frequently than they did two years ago. Additionally, the average adult manages 3.1 email addresses, up from 2.6 a year ago. In total, 35 percent of those surveyed spend more than 31 minutes a day visiting social networking sites, and reading and responding to personal emails.

"It's universally accepted that people are living much of their lives online," said Jeff Tinsley, CEO of MyLife. "Their Internet identities are their true identities, and they are spending an increasing amount of time managing all their connections and communications across multiple services, leading consumers to feel overwhelmed."

Despite their desire for a break, most social networkers are afraid of what would happen if they were to step away for a while. Nearly 60 percent of those surveyed experience anxiety as a result of missing an important event or status update if they don't monitor their social networks, and more than half report a fear of missing out.

The study was based on surveys of more than 2,000 adults ages 18 and older.

Viewers Get in the Swim To Tweet About 'Sharknado'

What happens when a tornado whips up hundreds of sharks and hurls them at Los Angeles?

Syfy network's "Sharknado" suggests that such a siege can take a big chomp out of social media.

Aired Thursday night, the disaster thriller was a trending topic on

Twitter as it inspired amazed, often jeering messages to reflect viewer amusement at the film's jaw-dropping premise.

One tweeter expressed satisfaction that here was a natural disaster that finally makes Aquaman useful. Another jokingly questioned the film's scientific authenticity. Another described the sharknado as "an act of cod."

"Sharknado" was the night's most social program, generating nearly 5,000 tweets per minute at its peak. The network says it scored 387,000 social media mentions during its premiere.

Syfy says "Sharknado" was seen by nearly 1.37 million viewers.

=~=~=~=

Atari Online News, Etc. is a weekly publication covering the entire Atari community. Reprint permission is granted, unless otherwise noted at the beginning of any article, to Atari user groups and not for profit publications only under the following terms: articles must remain unedited and include the issue number and author at the top of each article reprinted. Other reprints granted upon approval of request. Send requests to: dpj@atarinews.org

No issue of Atari Online News, Etc. may be included on any commercial media, nor uploaded or transmitted to any commercial online service or internet site, in whole or in part, by any agent or means, without the expressed consent or permission from the Publisher or Editor of Atari Online News, Etc.

Opinions presented herein are those of the individual authors and do not necessarily reflect those of the staff, or of the publishers. All material herein is believed to be accurate at the time of publishing.